

Guide to completing Form C for the Year of Assessment 2008 and before

Please read with the Form C [explanatory note](#).

Page 1 of Form C: Part II (Dormant company)

Dormant company

Can I submit only Page 1 of Form C if Box 1 is checked but Box 2 is not checked?

Only Page 1 of Form C needs to be submitted by the company if the company did not carry on business, had no income in the preceding year, and the company also does not have any unutilised losses, capital allowances, or donations to be carried forward. However, such company could have owned investments during the basis period, only that such investments do not generate any income for the year of assessment.

With the insertion of Box 2, the above requirement does not change. As such, if the company does own investments (hence Box 2 is unchecked), but the company did not carry on business, had no income in the preceding year (hence Box 1 is checked), then the company can still submit only Page 1 on Form C - provided that the company also does not have any unutilised losses or donations to be carried forward.

Pages 2 and 3 of Form C: Part VI (Assessment information)

If the tax computation and accounts are maintained in a currency other than the Singapore dollars, how do we complete the Form C to show that the currency is not Singapore dollars?

Form C should be completed in Singapore dollars and not in the foreign currency. Please refer to the IRAS circular on '[Filing of Income Tax Computations and Financial Statements in Functional Currencies other than Singapore Dollars](#)' for details.

Boxes 1Aa & 1Ab

What is the amount to be declared in Box 1Aa and Box 1Ab?

Trade/business income For Box 1Aa, enter the amount of adjusted profit/loss that is arrived at after adjusting the net profit/loss as per the accounts for non-taxable items, separate source income, and disallowable expenses. For Box 1Ab, enter the adjusted profit/loss figure after deducting unutilised capital allowances brought forward, current year capital allowances, unutilised losses brought forward, and unutilised donations brought forward (i.e. line 1Aa - UCA b/f - current CA - UL b/f - UD b/f).

The amount to be declared in Box 1Aa and 1Ab should be the amount **before deducting the exempt amount** under the partial tax exemption scheme/tax exemption scheme for new start-up companies*.

If the amount is a loss/negative figure, enter "X" in the box on the extreme left hand side.

You may download the [Basic Tax Calculator](#) for help in computing the adjusted profit/loss and chargeable income.

* Applicable to new companies which satisfy the qualifying conditions and have indicated so on Part IV on Page 1 of the Form C.

Box 1B**Q1. Should the dividend be declared at gross or net of tax deducted at source?**

Dividends - S10(1)(d) Dividends are to be declared at gross.

Q2. Should one-tier exempt dividend be declared?

No. A company need not declare one-tier exempt dividend in the Form C.

Box 1D**Q1. Should the gross rent or net rent after deducting rental expenses be declared?**

Rent - S10(1)(f) The net rent is to be declared.

Q2. What amount should be filled in Box 1D if the net rent is negative?

If the net rent is negative, enter "0".

However, if the negative rent is a result of Industrial Building Allowances claimed against the rent, enter the negative amount with an "X" in the box on the extreme left hand side to indicate loss/negative amount.

Box 1F

Trust distribution and other income

Trust distribution made out of income already taxed at the trustee level need not be included in this box.

Box 2**Q1. What kind of income should be included in this section?**

Foreign income received in Singapore

This refers to income sourced outside Singapore and is remitted to Singapore, e.g.

Foreign dividends and interest income received from overseas. For foreign dividends, if double tax relief is claimed, the amount to be entered should be the regressed amount net of allowable expenses (if any).

Profits of overseas branches or permanent establishments remitted to Singapore.

Please exclude foreign income remitted into Singapore but exempted under Section 13(8) of the Income Tax Act.

Q2. Where should I declare any foreign income not remitted to Singapore?

This need not be indicated in the Form C. However, the amount should be shown in your tax computation.

Box 6

Loss transferred to claimant company

The amount to be entered is the current year losses to be transferred to other companies within the group under the Group Relief system. If you are transferring losses under the Group Relief system, please complete Form GR-A and submit together with Form C.

Box 6a The amount to be entered is the current year losses to be carried back to the immediate preceding year of assessment, subject to a maximum of \$100,000.

Carry-back of current year loss

Boxes 9 and 11 If the amount is loss/negative, enter "0".

Chargeable income **Q1. Should the chargeable income be the amount before or after deducting the exempt amount under the partial tax exemption scheme or tax exemption scheme for new start-up companies?**

The chargeable income to be declared should be the amount before deducting the exempt amount. IRAS will compute the exempt amount under the partial tax exemption scheme or tax exemption scheme for new start up companies* when finalising the assessment.

* Applicable to new companies which satisfy the qualifying conditions and have indicated so on Part IV on Page 1 of the Form C.

Q2. Should the chargeable income include concessionary income?

Yes, the amount should include income taxed at normal rate and concessionary rates. (Details of the concessionary income should also be filled in Box 12).

Q3. Should the chargeable income include exempt income arising from tax incentives?

No. Exempt income arising from tax incentives should be filled in Box 16.

Box 10

Loss claimed from transferor company

The amount to be entered is the current year losses transferred from other companies within the group under the Group Relief system. If you are claiming the group relief, please complete Form GR-B and submit together with Form C.

Page 4 of Form C: Part VII (Claim of unutilised capital allowances, losses, or donations)

Boxes 17 and 18

Claim of unutilised capital allowances/ losses / donations

Q1. If the company has an adjusted loss but unutilised capital allowances brought forward has been used to offset income from separate source/balancing charge, how should Box 17 be completed?

Please indicate "1" (Yes) in Box 17 since there is a claim for unutilised capital allowances in sections 1 and 2 of Part VI.

Q2. When should Box 18 be completed?

Only when Box 17a is indicated with "1" (Yes), i.e., there is a substantial change in the company's shareholders and their shareholdings and the company is applying for a waiver of the shareholding test under Sections 23(5) and 37(15).

Q3. Where unutilised capital allowances/losses are claimed and part of the capital allowances/losses is to be disregarded for certain periods (i.e. company is not claiming for a waiver under Sections 23(5) and 37(15) of the Income Tax Act), how should the relevant boxes be completed?

Box 17 is to be completed with "1" (Yes)

Box 17a is to be completed with "2" (No)

You may leave Box 18 blank since no unutilised capital allowance/loss is claimed under Sections 23(5) and 37(15).

The amount of capital allowances/losses disregarded should be shown in the tax computation.

Boxes 19 to 24

Unutilised capital allowances/ losses/ donations b/f and c/f

Q1. If the unutilised capital allowances and losses are to be totally disregarded and not to be set-off against the income for the current year of assessment because of a substantial change in shareholdings, do I still have to complete Boxes 20 and 22?

Yes, the boxes are to be completed with zeros.

Q2. Should the amounts filled in Boxes 19 to 24 be before or after group relief?

This should be the amounts after group relief.

Page 4 of Form C: Part VIII (Other information)

Box 25

Income not previously reported

Where should the amount of additional expenses incurred for back years (commonly termed as prior years' adjustments) be indicated?

There is no provision for this item in the Form C. However, the adjustments may be reflected in the tax computation and supporting schedules.

Box 26

Receipts claimed as not taxable (Including real estate)

Does the "amount" represent gross sale proceeds or net profit? Does receipt mean cash receipt? Is a waiver of loan excluded?

This represents net profit. Receipts here include both cash and non-cash receipts. A waiver of loan is therefore included.

Page 5 of Form C: Part IX (Capital allowances on new assets)

Box 29

New assets

Q1. If the company is claiming capital allowance for the first time for assets purchased in previous years, should '1' be entered (for 'Yes') or '2' (for 'No') be entered in Box 29?

If the company is now claiming for capital allowance for assets purchased in the previous years, '2' (for 'No') should be entered in box 29. However, please note that '1' (for 'Yes') should be entered in Box 29 (and the details required in Box 29a be furnished accordingly) in the Year of Assessment that the assets are purchased. Do this even if the capital allowance is not to be claimed for that Year of Assessment, but would be deferred.

In other words, boxes 29 and 29a are meant to be read as:

Box 29 - 'Have you claimed, or will you claim, capital allowance on new assets purchased during the year?'

Box 29a - 'If yes, state the total cost of new assets purchased during the year on which capital allowance is, or would be, claimed'.

Q2. Does part IX include new assets purchased under hire purchase? If yes, should the cost of the assets be the principal cost or principal repayments made during the year?

Part IX includes assets purchased under hire purchase where cost of assets refers to the principal cost.

Page 5 of Form C: Part X (Withholding tax)

Box 30

Withholding tax

Q1. If a company is making a claim for deduction on a payment made to a non-resident that is exempt from withholding tax under the provision of the Avoidance of Double Taxation agreement (DTA), how should Box 30 be completed?

Payments exempt from withholding tax should not be included in Part X of Form C.

Q2. The company has made a provision for royalty payable to non-residents. Since the royalty is not due for payment, withholding tax has not been complied with. In addition, no tax deduction has been claimed for the provision. In this case, how does the company complete Part X?

If the payment to non-resident is not deemed paid or payable under Section 45/45A/45B/45D/45F, Box 30 should be completed as "2" (for "No").

Page 5 of Form C: Part XI (Data shown in audited or unaudited accounts)

Where a company has branches overseas, should Part XI be completed on the basis of the company's Singapore operations only, or the consolidated results as reflected in the audited accounts?

Balance sheet items are to be completed based on the consolidated results. Profit and loss account items are to be completed based on the results of the Singapore operation.

Box 31

Gross sales/gross income

This refers to the main income source of a company. For instance, the gross income of an investment company would be its investment income.

Box 32

Purchases

Q1. Does "Purchases" refer to cost of sales?

No. However, if the figure for "purchases" is not available in the accounts, insert the figure for "cost of sales" instead, if this figure is available.

Q2. Does "Purchases" include opening stock?

No.

Box 33

This refers to the amount after taking into account the cost of goods sold. If there is no cost of goods sold, the gross profit should be the same amount as the gross sales.

Gross profit/loss

If the amount is a loss/negative figure, enter "X" in the box on the extreme left hand side.

Box 35

Q1. Can the company fill in the required figure as per the description in the company's audited accounts? If there is no such description in the accounts, can the figure be that of the total of all expenses after the gross profit line?

Sales, General and Administrative Expenses

The company can fill in the required figure as per the description in the company's audited accounts. Where there is no such description in the accounts, the total of all expenses after the gross profit line can be used as long as the company is of the view that this figure is for sales, general and administrative expenses. Finance cost need not be included in box 35 unless the company has included Finance cost as part of Sales, General and Administrative Expenses.

Box 36

From YA 2008 onwards:
Directors' fees and directors' remuneration

From YA 2008, this includes directors' fees and directors' remuneration. Directors' remuneration includes salaries, leave pay, commissions, bonuses, gratuities, allowances, other emoluments paid in cash and contributions made to approved pension or provident funds which are deductible under the Act.

For YA 2007 and before:
Directors' fees

For YA 2007 and before, this excludes the directors' remuneration.

Box 38

Q1. Where the accounts have an item called "Other debtors, deposits, and prepayments", can a figure that represents the total of the three components be used? On the other hand, if there is no such item in the account, is the figure '0' to be filled?

Other debtors

If there is a breakdown of "Other debtors, deposits, and prepayments" in the Notes to the Accounts, please fill in the figure for "Other debtors" in box 38. However, if there is no such breakdown, the figure for "Other debtors, deposits, and prepayments" can be used. In the case where the item "Other debtors, deposits, and prepayments" is not available anywhere in the accounts, please fill in the figure '0'.

Box 39

Q1. Can the amount of trade debtors, net of provision be entered if the amount of gross amount of trade debtors is not available anywhere in the accounts?

Trade debtors

Yes, the amount of trade debtors, net of provision amount can be used if the gross amount of trade debtors is not available anywhere in the accounts. The figure should also include third party and related trade debts.

Box 40

Trade creditors

Q1. Does trade creditors include third party trade creditors, inter-company trade creditors, accrued operating expenses, and hire purchase creditors?

The amount of trade creditor includes third party trade creditors and inter-company trade creditors, but excludes accrued operating expenses and hire purchase creditors.

Box 42

Total (Add Boxes 31 up to 41)

This is the total of all the POSITIVE amounts of boxes 31 to 41 LESS any NEGATIVE amounts and it serves as a control total. If the total of boxes 33 and 41 is a negative amount and greater than the positive amounts of other boxes from 31 to 41, then box 42 would be a negative amount. Enter "X" in the box on the extreme left-hand side if the total is a negative amount.

Form IRIN 306: Exempt dividend account**Q1. Should Form IRIN 306 be completed for companies with indirect shareholdings in:****a. Companies enjoying tax incentives during the preceding year; or****b. Companies whose tax relief periods have expired and have an unutilised balance of exempt income brought forward?**

With effect from 01 Jan 2003, normal exempt dividends can be distributed to all tiers of shareholders without restriction on shareholding level. As such, companies receiving normal exempt dividends (whether directly or indirectly from the above-mentioned types of companies) are required to complete Form IRIN 306 in order to keep track of the balance available for payment of normal exempt dividends and the amount of such dividends paid. All companies with an unutilised balance of such normal exempt dividends brought forward are also required to complete Form IRIN 306. For companies with such indirect shareholdings, please use the type codes provided under column (ii) of the Explanatory Notes to Form IRIN 306 when completing Form IRIN 306.